99TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPT. 99-556
Part 1

LOW-INCOME HOME ENERGY ASSISTANCE AMENDMENTS OF 1986

APRIL 24, 1986.—Ordered to be printed

Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

together with

SUPPLEMENTAL VIEWS

[To accompany H.R. 4422 which on March 17, 1986, was referred jointly to the Committee on Education and Labor and the Committee on Energy and Commerce]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4422) to amend the Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1987, 1988, and 1989 and to clarify the treatment under other laws, of home energy assistance payments and allowances provided under such act, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended—

(1) by striking out "$2,140,000,000 for the fiscal year 1985, and", and

(2) by inserting before the period at the end thereof "and such sums as may be necessary for each of the fiscal years 1987, 1988, and 1989".

SEC. 2. ADMINISTRATION OF ENERGY CRISIS INTERVENTION PROGRAM.

Section 2604(c) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(c)) is amended by adding at the end thereof the following: "The program for which funds are reserved under this subsection shall—

"(1) not later than 48 hours after a household applies for energy crisis benefits, provide such benefits if such household is eligible to receive such benefits;

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"(2) not later than 12 hours after a household applies for crisis benefits, provide such benefits if such household is eligible to receive such benefits and is in a life-threatening situation; and

"(3) require each entity that administers such program—

"(A) to accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity;

"(B) to provide to low-income individuals who are physically infirm the means—

"(i) to submit applications for energy crisis benefits without leaving their residences; or

"(ii) to travel to the sites at which such application are accepted by such entity; and

"(C) to provide emergency telephone access to such entity during not less than 18 hours of each day of any period during which there are severe weather conditions in the area served by such entity.".

SEC. 3. APPLICATIONS AND REQUIREMENTS.

(a) STATE PROCEDURES.—Section 2605(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)) is amended—

(1) in paragraph (5)—

(A) by striking out ", in a manner consistent with the efficient and timely payment of benefits,", and

(B) by inserting after "size," the following: "assure that the neediest households receive the maximum assistance, and provide timely and efficient payment of benefits",

(2) by striking out paragraphs (14) and (15), and

(3) by redesignating paragraphs (16) and (17) as paragraphs (14) and (15), respectively.

(b) CONTENTS OF STATE PLAN.—Section 2605(c)(1) of the Low-Income Home Energy Act of 1981 (42 U.S.C. 8624(c)(1)) is amended by striking out subparagraphs (A) through (E) and inserting in lieu thereof the following new subparagraphs:

"(A) describes the eligibility requirements to be used by the State for each type of assistance to be provided under this title, including criteria for designating an emergency under section 2604(c);

"(B) describes the benefit levels to be used by the State for each type of assistance, including assistance to be provided for emergency crisis intervention and for weatherization and other energy-related home repair;

"(C) contains estimates of the amount of funds the State will use for each of the programs under such plan and describes the alternative use of funds reserved under section 2604(c) in the event any portion of the amount so reserved is not expended for emergencies;

"(D) describe weatherization and other energy-related home repair the State will provide under subsection (k);

"(E) describes how the State will carry out the requirements specified in paragraphs (3), (4), (5), (6), (7), (8), (10), (12), and (13) of subsection (b); and

"(F) contains any other information determined by the Secretary to be appropriate for purposes of this title.".

(c) MODEL STATE PLAN FORMAT.—Section 2605(c) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(c)) is amended by adding at the end thereof the following new paragraph:

"(3) Not later than April 1 of each fiscal year the Secretary shall make available to the States a model State plan format that may be used, at the option of each State, to prepare the plan required under paragraph (1) for the next fiscal year.".

(d) CONSISTENT TREATMENT OF ENERGY ASSISTANCE PAYMENTS.—Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(f)) is amended—

(1) by striking out "provided to" and inserting in lieu thereof "provided directly to, or indirectly for the benefit of,", and

(2) by adding at the end thereof the following:

"For purposes of determining any excess shelter expense deduction under section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e))—

"(1) the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses, without regard to whether such payments or allowances are provided directly to, or indirectly for the benefit of, such household; and

"(2) no distinction may be made among households on the basis of whether such payments or allowances are provided directly to, or indirectly for the benefit of, any of such households.".

SEC. 4. CONTENT OF REPORTS.

Section 2610(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8619(b)) is amended by inserting before the period at the end of thereof the following: ", and a report that describes for the prior fiscal year—

"(1) the manner in which States carry out the requirements of paragraphs (2), (5), (8), and (15) of section 2605(b); and

"(2) the impact of each State's program on recipient and eligible households".

SEC. 5. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1986, or the date of the enactment of this Act, whichever occurs later.

(b) APPLICATION OF AMENDMENTS.—The amendments made by subsections (a), (b), and (c) of section 3 shall not apply with respect to any fiscal beginning in or before the 60-day period ending on the effective date of this Act.

INTRODUCTION

In reporting H.R. 4422, the Committee proposes to continue the Low-Income Home Energy Assistance Act of 1981. As reported by the Committee, H.R. 4422 would authorize the Low-Income Home Energy Assistance Act for fiscal years 1987, 1988, and 1989.

COMMITTEE ACTION

The Subcommittee held a joint hearing with the Energy and Commerce Subcommittees on Fossil and Synthetic Fuels, and Energy Conservation and Power on February 27, 1986, in Washington, D.C. Witnesses include Jo Anne B. Ross, Associate Commissioner for Family Services, Social Security Administration, Department of Health and Human Services, accompanied by Norm Thompson, Director of the Office of Energy Assistance; Shirley Marcus, Director, Maryland Energy Assistance Program; Mr. E. Phillip McKain, Executive Director, Pennsylvania/Delaware Community Action Association; and Dan Tobin, American Association of Retired Persons Volunteer, Malden, Massachusetts.

H.R. 4422 was introduced on March 17, 1986. The original cosponsors are Mr. Tauke, Mr. Hawkins, Mr. Jeffords, Mr. Sharp, Mr. Markey, Mr. Perkins, and Mr. Owens. The bill was approved by the Subcommittee on Human Resources on March 20, 1986. On April 10, 1986, it was considered by the full Education and Labor Committee and ordered reported with an amendment by voice vote.

BACKGROUND AND NEED FOR LEGISLATION

The Low-Income Home Energy Assistance Act is authorized by Title XXVI of the Omnibus Budget Reconciliation Act of 1981. The program provides financial assistance for home heating and cooling costs, allows up to 15 percent of the state's allotment to be used for weatherization, and provides energy-related crisis intervention activities (space heaters, blankets, shelter, payments, and allows for flexible arrangements with utility providers and resolution of the crisis through other means which result in immediate provision of essential energy). Up to 10 percent of a state's allotment can be transferred to other non-energy block grant programs.

The Low-Income Home Energy Assistance Program (LIHEAP), administered by the Department of Health and Human Services, was established in fiscal year 1981. It grew out of a number of previous programs developed in response to the energy needs of the poor following the 1973 Arab oil embargo. The Economic Opportunity Act provided the initial authority for the original programs operated by the Community Services Administration.

In 1979, during the debate on oil decontrol, a majority of the Congress agreed to protect the poor and those on fixed incomes who would be least able to absorb the energy price increases that would result from allowing domestic oil prices to rise to world levels. The Crude Oil Windfall Profit Tax Act provided that up to 24 percent of $3.12 billion of the revenues generated should be expended for low-income energy assistance. However, the actual appropriation level was reduced in conference to $1.85 billion.

Title XXVI of the Omnibus Budget Reconciliation Act, the Low-Income Home Energy Assistance Act of 1981, made changes in LIHEAP. It also authorized $1.875 billion in grants to states for low-income energy assistance for fiscal years 1982, 1983, and 1984.

Title VI of Public Law 98-558 provided authorization levels of $2.14 billion for fiscal 1985 and $2.275 billion for fiscal 1986. In addition, Public Law 98-558, the Human Resources Amendments of 1984, made several programmatic changes.

The 1984 reauthorization decreased from 25 percent to 15 percent the amount that can be carried over for use in the next fiscal year, although funds not spent, transferred, or held over in a fiscal year can be reallocated by the Secretary. Also, no more than 10 percent of the state's allotment can be spent on state administration of the program.

East State, in its application for program assistance, must make assurances that federal funds will not be used to assist a household unless at least one member is receiving public assistance or the household has an income below 150 percent of poverty or 60 percent of the state's median income. Many states, however, have established lower levels and have 125 percent of poverty as their eligibility standard. No State may exclude from participation households with incomes under 110 percent of poverty.

States were required to establish a crisis intervention program designed to be available until March 15 of each year. Other guarantees that must be made by the state include: (1) appropriate outreach activities will be conducted, particularly toward the elderly and the handicapped; (2) that the public should participate in developing the state plan; (3) that owners and renters will be treated equitably; (4) that equal benefits be provided to categorically-eligible and income-eligible households; and (5) that the highest benefits go to the households with the highest utility costs and lowest incomes.

The amendments made by Public Law 98-558 changed state plan provisions to require that states provide a meaningful outline of what they plan to do under such program element.

The amendments also addressed the concern that some states chose to determine eligibility solely on the basis of the applicant's inclusion in other categorical programs; consequently, some elderly poor or working poor have been excluded. They required the collec-

tion of additional data in order to ensure that adequate information is available to Congress to facilitate policy and funding determinations. Finally, the amendments changed the allocation formula for the program in an attempt to have the allocation mechanism more accurately reflect the changes in home heating costs and the goals of the program.

Energy costs continue to pose serious problems for many low income individuals and the continuation of LIHEAP is essential to help protect the poor from the hazards of extreme weather conditions.

Explanation of the Bill

H.R. 4422 reauthorizes the Low-Income Home Energy Assistance Program for three years at a level of such as may be necessary. Testimony before the Subcommittee indicates that LIHEAP is a highly regarded program that is being effectively carried out in the vast majority of states. As a result, the changes proposed by H.R. 4422 are clarifying in nature and intended to provide further guidance in the operation of crisis assistance programs and in directing benefits of those most in need.

ENERGY CRISIS INTERVENTION PROGRAM

LIHEAP was amended in 1984 to reinforce congressional intent regarding the importance of providing energy crisis assistance to those at serious risk from energy-related crises. The Committee received testimony that while many quality crisis intervention programs are currently being operated, in some instance, States are not yet offering assistance that is accessible to all vulnerable households and available on a timely basis.

H.R. 4422 establishes minimum performance standards for crisis intervention programs while leaving to the discretion of the States the manner in which these standards are to be implemented. The requirements are intended to ensure that timely responses are readily available to the most vulnerable households. They also reinforce the Committee's intent that access for the elderly and handicapped is assured.

APPLICATION AND REQUIREMENTS

Section 3(a) clarifies the intent of the Committee that the neediest households receive the highest level of program benefits and services. The Committee received testimony that showed that available energy assistance resources are inadequate to meet the minimal needs of eligible households and that indicated that some States were not carefully matching benefit payments to energy needs. In the fact of continuing constraints on federal funding, the Committee is reasserting its intention that States direct assistance, as well as outreach, to the households in greatest need. At a minimum, States must identify those with the lowest incomes, adjusted for household size, and the highest energy costs in relation to income as those who are to receive the highest benefits.

MODEL STATE PLAN FORMAT

It is the Committee's intent that States shall have available to them a model plan format which contains all required plan elements and all information which supports and substantiates State program plans. While the model issued by the Department would provide one possible format for planning programs as required by this Act, States would continue to have the discretion to submit plans in any format they deem appropriate.

CONSISTENT TREATMENT OF ENERGY PAYMENTS

The bill clarifies the prohibition in existing law against reduction of benefits in other programs due to the receipt of LIHEAP benefits to prevent its misinterpretation. This congressional intent has been clear since the beginning of the program. The current prohibition was part of the conference report to accompany the Crude Oil Windfall Profits Tax Act of 1980 and has been included in the law in subsequent LIHEAP reauthorizations. In addition, the courts have confirmed congressional intent in this matter on four separate occasions, most recently by the U.S. Court of Appeals for the Ninth Circuit.

CONTENT OF REPORT

The bill provides for new reporting provisions in Section 2610 that require the Secretary to undertake a detailed assessment of the manner in which States are implementing all the requirements regarding program participation and benefits for categorically-eligible and income-eligible households, targeting of benefits, equitable treatment of renters and homeowners in the prgram, and provision of crisis assistance. The report will contain quantitative information on such factors as recipient incomes and sources of income, household energy costs in relation to income, housing tenure, household age and any other matter the Secretary finds necessary to present an accurate evaluation of State programs and their impact on eligible and recipient households. This report shall also contain information obtained under the Secretary's investigation conducted each year under Section 2608(b)(1).

CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with Clause 2(l)(3) (B) and (C) of Rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 15, 1986.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 4422, a bill to amend the

Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1987, 1988, and 1989 and to clarify the treatment of home energy assistance payments and allowances under the Food Stamp Act of 1977, as ordered reported by the Committee on Education and Labor on April 10, 1986.

Should you so desire, we would be pleased to provide further details on the attached cost estimate. The staff contacts are Julie Isaacs and Marianne Deignan (226–2820).

With best wishes,

Sincerely,

RUDOLPH G. PENNER.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 4422.
2. Bill title: None.
3. Bill status: As ordered reported by the House Committee on Education and Labor on April 10, 1986.
4. Bill purpose: To amend the Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1987, 1988, and 1989, to make improvements in the administration of the energy crisis program and to clarify the treatment of home energy assistance payments and allowances under the Food Stamp Act of 1977.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1987	1988	1989	1990	1991
Low-Income Home Energy Assistance Program:					
Estimated authorization level	1,919	1,972	2,054	.....	.....
Estimated outlays	1,727	1,966	2,046	205	.....
Food Stamp Program:					
Estimated authorization level	12	12	13	13	14
Estimated outlays	12	12	13	13	14
Total:					
Estimated authorization level	1,931	1,984	2,067	13	14
Estimated outlays	1,739	1,978	2,059	218	14

The costs of this bill would fall within budget function 600.

BASIS OF ESTIMATE

Authorization of appropriations for the Low-Income Home Energy Assistance Program

Section 1 of the bill authorizes appropriations for the Low-Income Home Energy Assistance Program (LIHEAP) of such sums as may be necessary for fiscal years 1987, 1988, and 1989. The estimated authorization levels shown are the Congressional Budget Office (CBO) current services baseline. Because the CBO economic forecast shows energy prices declining in 1987, the amount needed to maintain the current program level is projected to be lower than the 1986 post-sequester appropriation of $2,010 million. The baseline estimates for LIHEAP are very sensitive to oil prices in CBO economic forecast. We assume authorized amounts are fully appro-

priated at the beginning of each fiscal year. Outlays for the energy assistance program are estimated using spendout rates computed by the CBO on the basis of recent program data. The administrative changes would only affect the allocation of funds and would not have any budgetary effect.

Treatment of energy assistance in the Food Stamp Program

Section 2(d) would overturn the Food and Nutrition Service (FNS) policy of not counting energy assistance received in the form of vendor payments as deductible shelter expenses when calculating net income under the Food Stamp Program. Courts have already overturned FNS policy in the 8th and 9th Circuits of the U.S. Courts of Appeals, as well as in Indiana. Thus, H.R. 4422 would only increase food stamp benefits for households who live in the remaining states and receive vendor payments. If all such households deducted actual utility expenses when calculating net income, the added cost to the Food Stamp Program could be as high as $50 million.

In fact, the estimated cost is considerably lower; many food stamp households would not be affected because they use a "standard utility allowance" in place of actual utility expenses. Households receiving energy vendor payments may deduct a standard utility allowance provided they also have out-of-pocket heating or cooling expenses, which most do. It is more convenient for both the household and the caseworker to use a standard utility allowance than to record actual utility expenses each month. However, households with higher than average utility expenses may benefit by deducting actual expenses. If as many as 50 percent of households use actual expenses, the bill could cost up to $25 million. If no households use actual expenses, the bill would cost nothing. Our best estimate is that Section 2(d) would cost $12 million, midway between these two extremes.

6. Estimated cost to State and local government: The budgets of state and local governments would not be affected by enactment of this bill.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Julie Isaacs and Marianne Deignan.

10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

Committee Estimate

With reference to the statement required by Clause 7(a)(1) of Rule XIII of the Rules of the House of Representatives, the Committee adopts the estimate prepared by the Congressional Budget Office.

Inflationary Impact Statement

In compliance with Clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment into law of H.R. 4422 will have little inflationary impact on prices and costs in the operation of the national economy. It is the

judgment of the Committee that the inflationary impact of this legislation as a component of the Federal budget is negligible.

Committee Findings

In compliance with Clause 2(l)(3)(A) of Rule XI of the Rules of the House of Representatives, this report embodies the findings and recommendations of the Subcommittee on Human Resources, established pursuant to Clause 2(b)(1) of Rule X of the House of Representatives and Rule 18(a) of the Rules of the Committee on Education and Labor.

Oversight Findings and Recommendations of the Committee on Government Operations

In compliance with Clause 2(l)(3)(D) of Rule XI of the Rules of the House of Representatives, the Committee states that no findings or recommendations of the Committee on Government Operations were submitted to the Committee.

Section-by-Section Analysis

Section 1—Authorization of appropriations

Section 1 amends Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 to authorize such sums as may be necessary for fiscal years 1987, 1988, and 1989.

Section 2—Administration of Energy Crisis Intervention Program

Section 2 amends Section 2604(c) of such Act to specify three components that crisis intervention programs should include to ensure timely responses to emergency situations and to ensure that the special needs of the handicapped and elderly are met.

Section 3—Application and requirements

Section 3(a) amends Section 2605(b)(5) of such Act to give added emphasis to the fact that assistance should be directed to those most in need and makes technical changes to comply with Section 3(b) of the bill.

Section 3(b) amends Section 2506(c)(1) of such Act to reorganize and revise the information which must be included in state plans.

Section (3)(c) requires the Secretary to make available each year a model state plan format that may be used to prepare the next fiscal year's state plan.

Section (3)(d) amends Section 2605(f) of such Act to clarify the prohibition in existing law against reduction of benefits in other programs due to the receipt of Low-Income Home Energy Assistance benefits.

Section 4—Content of reports

Section 4 amends Section 2610(b) of such Act to require that the Secretary issue a yearly report on the manner in which certain requirements of the law are being carried out and the impact of each state's program on recipient and eligible households.

Section 5—Effective dates

Section 5 (a) and (b) provides that all the amendments except those made by Section 3 (a), (b), and (c) of the bill will take effect on October 1, 1986, or the date of enactment whichever occurs later. Section 3 (a), (b), and (c) shall not apply with respect to any fiscal year beginning in or before the 60 day period ending on the effective date of this Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

* * * * * * *

HOME ENERGY GRANTS AUTHORIZED

SEC. 2602. (a) * * *

(b) There is authorized to be appropriated to carry out the provisions of this title [$2,140,000,000 for the fiscal year 1985, and] $2,275,000,000 for the fiscal year 1986 *and such sums as may be necessary for each of the fiscal years 1987, 1988, and 1989.*

* * * * * * *

STATE ALLOTMENTS

SEC. 2604. (a) * * *

* * * * * * *

(c) Of the funds available to each State under subsection (a), a reasonable amount based on data from prior years shall be reserved until March 15 of each program year by each State for energy crisis intervention. The program for which funds are reserved by this subsection shall be administered by public or nonprofit entities which have experience in administering energy crisis programs under the Low-Income Energy Assistance Act of 1980, or under this Act, experience in assisting low-income individuals in the area to be served, and the capacity to undertake a timely and effective energy crisis intervention program. *The program for which funds are reserved under this subsection shall—*

(1) not later than 48 hours after a household applies for energy crisis benefits, provide such benefits if such household is eligible to receive such benefits;

(2) not later than 12 hours after a household applies for crisis benefits, provide such benefits if such household is eligible to receive such benefits and is in a life-threatening situation; and

(3) require each entity that administers such program—

(A) to accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity;

(B) to provide to low-income individuals who are physically infirm the means—

(i) to submit applications for energy crisis benefits without leaving their residences; or

(ii) to travel to the sites at which such application are accepted by such entity; and

(C) to provide emergency telephone access to such entity during not less than 18 hours of each day of any period during which there are severe weather conditions in the area served by such entity.

* * * * * * *

APPLICATIONS AND REQUIREMENTS

SEC. 2605. (a) * * *

(b) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State agrees to—

(1) use the funds available under this title for the purposes described in section 2602(a) and otherwise in accordance with the requirements of this title, and agrees not to use such funds for any payments other than payments specified in this section;

* * * * * * *

(5) provide[, in a manner consistent with the efficient and timely payment of benefits,] that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs in relation to income, taking into account family size, *assure that the neediest households receive the maximum assistance, and provide timely and efficient payment of benefits* except that the State may not differentiate in implementing this section between the households described in clause (2)(A) and (2)(B) of this subsection;

* * * * * * *

[(14) describe the procedures by which households in the State are identified as eligible to participate under this title and the manner in which the State determines benefit levels;

[(15) describe the amount that the State will reserve in accordance with section 2604(c) in each fiscal year for energy crisis intervention activities together with the administrative procedures (A) for designating an emergency, (B) for determining the assistance to be provided in any such emergency, and (C) for the use of funds reserved under such section for the purposes under this title in the event any portion of the amount so reserved is not expended for emergencies.]

[(16)] *(14)* describe energy usage and the average cost of home energy in the State, identified by type of fuel and by region of the State; and

[(17)] *(15)* cooperate with the Secretary with respect to data collecting and reporting under section 2610.

The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection. The Secretary shall issue regulations to prevent waste, fraud, and abuse in the programs assisted by this title.

(c)(1) As part of the annual application required in subsection (a), the chief executive officer of each State shall prepare and furnish to the Secretary, in such format as the Secretary may require, a plan which—

[(A) describes how the State will carry out the assurances required under subsection (b);

[(B) contains estimates of the amount of funds the State will use for each of the programs under such plan;

[(C) describes the eligibility requirements to be used by the State for each type of assistance to be approved under this title;

[(D) describes weatherization and other energy related home repair the State will provide under subsection (k); and

[(E) contains any other information determined by the Secretary to be appropriate for purposes of this title.]

(A) describes the eligibility requirements to be used by the State for each type of assistance to be provided under this title, including criteria for designating an emergency under section 2604(c);

(B) describes the benefit levels to be used by the State for each type of assistance, including assistance to be provided for emergency crisis intervention and for weatherization and other energy-related home repair;

(C) contains estimates of the amount of funds the State will use for each of the programs under such plan and describes the alternative use of funds reserved under section 2604(c) in the event any portion of the amount so reserved is not expended for emergencies;

(D) describes weatherization and other energy-related home repair the State will provide under subsection (k);

(E) describes how the State will carry out the requirements specified in paragraphs (3), (4), (5), (6), (7), (8), (10), (12), and (13) of subsection (b); and

(F) contains any other information determined by the Secretary to be appropriate for purposes of this title.

* * * * * * *

(3) Not later than April 1 of each fiscal year the Secretary shall make available to the States a model State plan format that may be used, at the option of each State, to prepare the plan required under paragraph (1) for the next fiscal year.

* * * * * * *

(f) Notwithstanding any other provision of law unless enacted in express limitation of this paragraph, the amount of any home energy assistance payments or allowances provided [to] *directly to, or indirectly for the benefit of,* an eligible household under this title shall not be considered income or resources of such household (or any member thereof) for any purpose under any Federal or State law, including any law relating to taxation, food stamps,

public assistance, or welfare programs. *For purposes of determining any excess shelter expense deduction under section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e))—*

(1) the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses, without regard to whether such payments or allowances are provided directly to, or indirectly for the benefit of, such household; and

(2) no distinction may be made among households on the basis of whether such payments or allowances are provided directly to, or indirectly for the benefit of, any of such households.

* * * * * * *

STUDIES

SEC. 2610. (a) * * *

(b) The Secretary shall, no later than June 30 of each fiscal year, submit a report to the Congress containing a detailed compilation of the data under subsection (a) with respect to the prior fiscal year, *and a report that describes for the prior fiscal year—*

(1) the manner in which States carry out the requirements of paragraphs (2), (5), (8), and (15) of section 2605(b); and

(2) the impact of each State's program on recipient and eligible households.

* * * * * * *

SUPPLEMENTAL VIEWS—H.R. 4422

The Low-Income Home Energy Assistance program has helped meet the heating needs of thousands of low-income families. It is a valuable program, and I support its reauthorization.

When considering this program and its funding, however, we should not ignore two important factors. One, energy costs are declining rapidly and the dollars required to continue current services in this energy assistance program are estimated to decline. Two, court awards of billions of dollars from overcharge cases are being made available to the States for energy assistance and conservation programs. Notably, the award from the Exxon case nearly equalled the $2.1 billion Congress appropriated for the Low Income Energy Assistance program for fiscal year 1986. This money is currently being distributed to States for use in five low-income energy programs.

These factors should not deter Congress from its commitment to energy programs, nor should they be ignored in our deliberations. I therefore support reauthorization of the Low Income Home Energy Assistance program at the such sums as may be necessary authorization level.

I also believe it is appropriate to provide additional flexibility to states in their ability to use LIHEAP allocations for weatherization. Current law permits states to use up to 15 percent of their LIHEAP funds for weatherization purposes. It also permits States to transfer up to 10 percent of these funds to other block grants, such as the Community Services Block Grant and the Social Services Block Grant. It seems appropriate to permit States to use all or part of the funds they can presently transfer to other programs to expand their weatherization efforts, which have long-term benefits that will ultimately reduce the energy costs of low-income families.

TOM TAUKE.

○